



**DEPARTMENT OF HUMAN SERVICES  
HOUSING AND COMMUNITY DEVELOPMENT  
CORPORATION OF HAWAII**

**LINDA LINGLE**  
GOVERNOR

**NEWS RELEASE**

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**STATE JOINS DEVELOPER AND OTHER PARTNERS TO OPEN  
AFFORDABLE RENTAL HOUSING COMPLEX IN MAKAKILO**

HONOLULU – The Lingle-Aiona Administration, through the Housing and Community Development Corporation of Hawai'i (HCDCH), today joined Pacific Housing Assistance Corporation (PHAC) to officially open Palehua Terrace 2, an affordable rental housing complex in Makakilo on O'ahu.

"With affordable housing not at the level sufficient to meet the current needs of our residents, we must do everything we can to increase the inventory of units for families across the state," said Stephanie Aveiro, executive director of HCDCH. "Palehua Terrace is a great example of what can be accomplished through public-private partnerships, and represents the Lingle-Aiona's commitment to increase affordable housing opportunities for our residents."

The complex, developed by the Palehua Terrace 2 Limited Partnership (PT2), provides 56 two-bedroom units and 8 three-bedroom units for families whose incomes range from 30 to 60 percent of the Honolulu area median income. HCDCH provided more than \$877,000 in annual state and federal low-income housing tax credits and almost \$9.7 million in loans to build Palehua Terrace 2. In exchange for state assistance, PHAC must keep units at affordable rental rates for 61 years.

There was a high demand for the 64 units and each apartment was filled prior to today's opening. Each unit comes with a range, disposal, washer, dryer, refrigerator, carpet and drapes. The complex includes a community room, a picnic area, 130 resident parking stalls and six guest parking spots.

"The development of Palehua Terrace 2 would not have been possible without assistance from the State, the City and County of Honolulu and other private partners," said Marvin Awaya, of PT2. "We look forward to working with them in the future to create more affordable housing opportunities in Hawai'i."

(more)

Federal and state housing tax credits provide incentives to stimulate private sector investment, development and operation of affordable rental housing. Property owners can use the low-income housing tax credits to obtain a reduction in tax liability for 10 years. The low-income housing tax credit may also be sold to an investor that is able to claim the tax credit.

Loans from the Rental Housing Trust Fund and the Rental Assistance Revolving Fund are administered by the HCDCH Board of Directors and are used for the construction, acquisition and/or rehabilitation of affordable rental housing.

The Lingle-Aiona Administration is focused on satisfying the basic need for safe, decent and affordable housing for Hawai'i residents. The Administration is working closely with private developers, the counties, financial institution and nonprofit organizations to implement a six-year plan to develop more affordable housing units throughout the state.

A fact sheet on Palehua Terrace 2 is attached.

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